GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2127
ANSWERED ON:13.03.2008
LPG DISTRIBUTION THROUGH FAIR PRICE SHOPS
Reddy Shri Karunakara G.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has decided to distribute LPG cylinders through fair price shops;

(b) if so, the details thereof;

(c) whether any modalities have been worked out in this regard; and

(d) the time by which final decision in this regard is likely to be taken?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAPATEL)

(a) to (d) : No, Sir. Public Sector Oil Marketing Companies (OMCs) do not support the proposal tosupply LPG cylinders through Fair Price Shops (FPS) interalia on account of the following reasons:

(i) It is not a practical proposition to put domestic LPG in the FPS as LPG is not rationed good.This is purely commercial good marketed by OMCs through their LPG distributors appointed as pertheir commercial considerations.

(ii) It would be difficult to keep a check on the diversion of domestic LPG cylinders forunauthorized commercial use.

(iii) At present, OMCs make delivered supplies of filled cylinders to the distributors' godowns.The inclusion of additional transportation costs from the distributor's godown to each of theproposed sub-distributors and sub-distributor's commission in the price would make the monitoringof end selling prices difficult.

(iv) It would be difficult to enforce the observance of safe practices by the FPS owners.

(v) The necessary infrastructure and expertise for attending to leakage complaints and otherassociated services would need to be developed at FPS.